

#### **DEPARTMENT OF COMMERCE**

**International Trade Administration** 

[A-351-859, A-533-915, A-508-814, A-201-858, A-580-916, A-791-828]

Brass Rod from Brazil, India, Israel, Mexico, the Republic of Korea, and South Africa:

**Initiation of Less-Than-Fair-Value Investigations** 

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**DATES:** Applicable May 17, 2023.

FOR FURTHER INFORMATION CONTACT: Claudia Cott (Brazil), Christopher Williams (India), Andrew Hart (Israel), Frank Schmitt (Mexico), Krisha Hill or Drew Jackson (the Republic of Korea (Korea)), and Dmitry Vladimirov (South Africa), AD/CVD Operations, Offices I, II, IV, and VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4270, (202) 482-5166, (202) 482-1058, (202) 482-4880, (202) 482-4307 or (202) 482-4406, and (202) 482-0665, respectively.

#### SUPPLEMENTARY INFORMATION:

### The Petitions

On April 27, 2023, the U.S. Department of Commerce (Commerce) received antidumping duty (AD) petitions concerning imports of brass rod from Brazil, India, Israel, Mexico, Korea, and South Africa, filed in proper form on behalf of the American Brass Rod Fair Trade Coalition and its constituent members, Mueller Brass Co. and Wieland Chase LLC, U.S., producers of brass rod (collectively, the petitioners). These AD petitions were accompanied by

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<sup>&</sup>lt;sup>1</sup> See Petitioners' Letter, "Brass Rod from Brazil, India, Israel, Mexico, South Africa, and South Korea: Antidumping and Countervailing Duty Petitions," dated April 27, 2023 (Petitions).

countervailing duty (CVD) petitions concerning imports of brass rod from India, Israel, and Korea.<sup>2</sup>

In May 2023, Commerce requested supplemental information pertaining to certain aspects of the Petitions.<sup>3</sup> Additionally, in May 2023, the petitioners filed timely responses to these requests for additional information.<sup>4</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioners allege that imports of brass rod from Brazil, India, Israel, Mexico, Korea, and South Africa are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 731 of the Act, and that imports of such products are materially

<sup>3</sup> See Commerce's Letters, "Petitions for the Imposition of Antidumping Duties on Imports of Brass Rod from

<sup>2</sup> *Id*.

Imposition of Antidumping Duties on Imports of Brass Rod from Mexico: Second Set of Supplemental Questions," dated May 9, 2023; and "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from Mexico:

Third Set of Supplemental Questions," dated May 15, 2023.

Brazil, India, Israel, Mexico, the Republic of Korea, and South Africa and Countervailing Duties on Imports from India, Israel, and the Republic of Korea: Supplemental Questions," dated May 2, 2023 (General Issues Supplemental Questionnaire); "Petitions for the Imposition of Antidumping Duties on Imports of Brass Rod from Brazil, India, Israel, the Republic of Korea, Mexico, and South Africa and Countervailing Duties on Imports from India, Israel, and the Republic of Korea: Supplemental Questions," dated May 10, 2023 (Second General Issues Supplemental Questionnaire); "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from Brazil: Supplemental Questions," dated May 2, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from Brazil: 2nd Supplemental Questions," dated May 9, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from the Republic of Korea: Supplemental Questions," dated May 2, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from the Republic of Korea: Supplemental Questions," dated May 9, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from the Republic of Korea: Supplemental Questions," dated May 12, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from the Republic of Korea: Supplemental Questions," dated May 15, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from South Africa: Supplemental Questions," dated May 2, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from South Africa: Second Set of Supplemental Questions," dated May 9, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from South Africa: Third Set of Supplemental Questions," dated May 15, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from India: Supplemental Questions," dated May 2, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from India: Supplemental Questions," dated May 9, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from India: Third Set of Supplemental Questions," dated May 15, 2023; Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from Israel: Supplemental Questions," dated May 2, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from Israel: Second Supplemental Questionnaire," dated May 9, 2023; "Petition for the Imposition of Antidumping Duties on Imports of Brass Rod from Mexico: Supplemental Questions," dated May 2, 2023; "Petition for the

<sup>&</sup>lt;sup>4</sup> See Petitioners Letters, "Brass Rod from Brazil, India, Israel, Mexico, South Africa, and South Korea: Amendment of Petitions and Response to Commerce's Supplemental Questions," dated May 8, 2023 (General Issues Supplement), at Volumes I and II; "Brass Rod from Brazil, India, Israel, Mexico, South Africa, and South Korea: Second Amendment of Petitions and Response to Commerce's Supplemental Questions" dated May 11, 2023 (Scope Supplement), at Volumes I and II; "Brass Rod from Brazil, India, Israel, Mexico, South Africa, and South Korea: Third Amendment of Petitions and Response to Commerce's Supplemental Questions," dated May 15, 2023; and "Brass Rod from Brazil, India, Israel, Mexico, South Africa, and South Korea: Fourth Amendment of Petitions and Response to Commerce's Supplemental Questions," dated May 16, 2023.

injuring, or threatening material injury to, the brass rod industry in the United States. Consistent with section 732(b)(1) of the Act, the Petitions are accompanied by information reasonably available to the petitioners supporting their allegations.

Commerce finds that the petitioners filed the Petitions on behalf of the domestic industry, because the petitioners are interested parties, as defined in sections 771(9)(C) and (F) of the Act.<sup>5</sup> Commerce also finds that the petitioners demonstrated sufficient industry support for the initiation of the requested AD investigations.<sup>6</sup>

### Periods of Investigation

Because the Petitions were filed on April 27, 2023, pursuant to 19 CFR 351.204(b)(1), the periods of investigation (POI) for the Brazil, India, Israel, Mexico, Korea, and South Africa AD investigations are April 1, 2022, through March 31, 2023.

### Scope of the Investigations

The products covered by these investigations are brass rod from Brazil, India, Israel, Mexico, Korea, and South Africa. For a full description of the scope of these investigations, *see* the appendix to this notice.

### Comments on the Scope of the Investigations

On May 2 and 10, 2023, Commerce requested further information and clarification from the petitioners regarding the proposed scope to ensure that the scope language in the Petitions is an accurate reflection of the products for which the domestic industry is seeking relief.<sup>7</sup> On May 8 and 11, 2023, the petitioners revised the scope.<sup>8</sup> The description of the merchandise covered by these investigations, as described in the appendix to this notice, reflects these clarifications.

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period of time for interested parties to raise issues regarding product coverage (*i.e.*, scope).<sup>9</sup> Commerce

<sup>6</sup> See the section on "Industry Support for the Petitions," infra.

<sup>&</sup>lt;sup>5</sup> See Petitions at Volume I (pages 3-4).

<sup>&</sup>lt;sup>7</sup> See General Issues Supplemental Questionnaire at 3-4; see also Second General Issues Supplemental Questionnaire at 3.

<sup>&</sup>lt;sup>8</sup> See General Issues Supplement; see also Scope Supplement.

<sup>&</sup>lt;sup>9</sup> See Antidumping Duties; Countervailing Duties, 62 FR 27296, 27323 (May 19, 1997) (Preamble).

will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments include factual information, <sup>10</sup> all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit such comments by 5:00 p.m. Eastern Time (ET) on June 6, 2023, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include factual information, must be filed by 5:00 p.m. ET on June 16, 2023, which is 10 calendar days from the initial comment deadline.

Commerce requests that any factual information that parties consider relevant to the scope of the investigations be submitted during that period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact Commerce and request permission to submit the additional information. All such submissions must be filed simultaneously on the records of the concurrent AD and CVD investigations.

### Filing Requirements

All submissions to Commerce must be filed electronically using Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS), unless an exception applies.<sup>11</sup> An electronically-filed document must be received successfully in its entirety by the time and date it is due.<sup>12</sup>

#### Comments on Product Characteristics

Commerce is providing interested parties an opportunity to comment on the appropriate physical characteristics of brass rod to be reported in response to Commerce's AD

<sup>12</sup> See 19 CFR 351.303(b)(1).

<sup>&</sup>lt;sup>10</sup> See 19 CFR 351.102(b)(21) (defining "factual information").

<sup>&</sup>lt;sup>11</sup> See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011); see also Enforcement and Compliance; Change of Electronic Filing System Name, 79 FR 69046 (November 20, 2014) for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at <a href="https://access.trade.gov/help.aspx">https://access.trade.gov/help.aspx</a> and a handbook can be found at <a href="https://access.trade.gov/help/Handbook">https://access.trade.gov/help/Handbook</a> on Electronic Filing Procedures.pdf.

questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant costs of production (COP) accurately, as well as to develop appropriate product comparison criteria where appropriate.

Subsequent to the publication of this notice, Commerce intends to release a proposed list of physical characteristics and product-comparison criteria, and interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: (1) general product characteristics; and (2) product comparison criteria. We note that it is not always appropriate to use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences among products. In other words, although there may be some physical product characteristics utilized by manufacturers to describe brass rod, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in matching products. Generally, Commerce attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on June 6, 2023, which is 20 calendar days from the signature date of this notice. Any rebuttal comments must be filed by 5:00 p.m. ET on June 16, 2023, which is ten calendar days from the initial comment deadline. All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of each of the AD investigations.

### Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the

total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The U.S. International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product, <sup>13</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>14</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

<sup>13</sup> See section 771(10) of the Act.

<sup>&</sup>lt;sup>14</sup> See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing Algoma Steel Corp., Ltd. v. United States, 688 F. Supp. 639, 644 (CIT 1988), aff'd 865 F.2d 240 (Fed. Cir. 1989)).

With regard to the domestic like product, the petitioners do not offer a definition of the domestic like product distinct from the scope of the investigations.<sup>15</sup> Based on our analysis of the information submitted on the record, we have determined that brass rod, as defined in the scope, constitutes a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>16</sup>

In determining whether the petitioners have standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the "Scope of the Investigations," in the appendix to this notice. To establish industry support, the petitioners provided their own production of brass rod in 2022 and compared this to the total 2022 production of brass rod by the U.S. industry.<sup>17</sup> We relied on data provided by the petitioners for purposes of measuring industry support.<sup>18</sup>

Our review of the data provided in the Petitions, the General Issues Supplement, and other information readily available to Commerce indicates that the petitioners have established industry support for the Petitions.<sup>19</sup> First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>20</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product.<sup>21</sup> Finally, the domestic producers (or workers)

<sup>&</sup>lt;sup>15</sup> See Petitions at Volume I (pages 19-20); see also General Issues Supplement at 5-7.

<sup>&</sup>lt;sup>16</sup> For a discussion of the domestic like product analysis as applied to these cases and information regarding industry support, *see* AD Investigation Initiation Checklists, "Brass Rod from Brazil, India, Israel, the Republic of Korea, Mexico, and South Africa," dated concurrently with this notice (Country-Specific AD Initiation Checklists), at Attachment II (Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Brass Rod from Brazil, India, Israel, the Republic of Korea, Mexico, and South Africa).

<sup>&</sup>lt;sup>17</sup> See Petitions at Volume I (pages 4-5 and Exhibit GEN-1); see also General Issues Supplement at 5 and Exhibit SUPP1-GEN-3.

<sup>&</sup>lt;sup>18</sup> See Petitions at Volume I (pages 3-5 and Exhibit GEN-1); see also General Issues Supplement at 5 and Exhibit SUPP1-GEN-3. For further discussion, see Country-Specific AD Initiation Checklists at Attachment II.

<sup>&</sup>lt;sup>20</sup> See Country-Specific AD Initiation Checklists at Attachment II; see also section 732(c)(4)(D) of the Act.

<sup>&</sup>lt;sup>21</sup> See Country-Specific AD Initiation Checklists at Attachment II.

have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act, because the domestic producers (or workers) who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions.<sup>22</sup> Accordingly, Commerce determines that the Petitions were filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.<sup>23</sup>

### Allegations and Evidence of Material Injury and Causation

The petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at LTFV. In addition, the petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>24</sup>

The petitioners contend that the industry's injured condition is illustrated by the significant volume of subject imports; reduced market share; underselling and price depression and/or suppression; lost sales and revenues; adverse impact on the domestic industry's operations, financial performance, production, commercial shipments, capacity utilization, and employment variables; and adverse impact on the domestic industry's financial performance.<sup>25</sup> We assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as negligibility, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.<sup>26</sup> In accordance with section 771(7)(G)(ii)(IV) of the Act, which states that the ITC cannot cumulate imports "from any country that is party to an agreement with the United States establishing a free

<sup>&</sup>lt;sup>22</sup> *Id*.

<sup>23</sup> Id

<sup>&</sup>lt;sup>24</sup> See Petitions at Volume I (pages 21-22 and Exhibit GEN-5); see also General Issues Supplement at 7 and Exhibit SUPP1-GEN-4.

<sup>&</sup>lt;sup>25</sup> See Petitions at Volume I (pages 1-2, 21-41, and Exhibits GEN-5 through GEN-25); see also General Issues Supplement at 7-8 and Exhibits SUPP1-GEN-4 and SUPP1-GEN-5.

<sup>&</sup>lt;sup>26</sup> See Country-Specific AD Initiation Checklists at Attachment III (Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Brass Rod from Brazil, India, Israel, the Republic of Korea, Mexico, and South Africa).

trade area, which entered into force and effect before January 1, 1987, unless the {ITC} determines that a domestic industry is materially injured or threatened with material injury by reason of imports from that country," we considered the petitioners' allegation of injury with respect to Israel, a party to an agreement with the United States establishing a free trade area in place and effect before January 1, 1987, independently of the allegations for Brazil, India, Korea, Mexico, and South Africa and found that the information provided satisfies the requirements for initiation.<sup>27</sup>

## Allegations of Sales at LTFV

The following is a description of the allegations of sales at LTFV upon which Commerce based its decision to initiate AD investigations of imports of brass rod from Brazil, India, Israel, Mexico, Korea, and South Africa. The sources of data for the deductions and adjustments relating to U.S. price and normal value (NV) are discussed in greater detail in the Country-Specific AD Initiation Checklists.

### U.S. Price

For Israel, the petitioners based export price (EP) on pricing information obtained through market research for brass rod sold in Israel and offered for sale in the United States. The petitioners made certain adjustments to U.S. price to calculate a net ex-factory U.S. price, where appropriate.<sup>28</sup>

For Brazil, India, and Korea, the petitioners based EP on transaction-specific average unit values (AUV) (*i.e.*, month- and port-specific AUVs) derived from official import data and tied to ship manifest data. For these countries, the petitioners did not make any adjustments to U.S. price to calculate a net ex-factory U.S. price.<sup>29</sup>

<sup>&</sup>lt;sup>27</sup> See Country-Specific AD Initiation Checklists at Attachment III; see also section 771(7)(G)(ii)(IV) of the Act; and Statement of Administrative Action Accompanying the Uruguay Round Agreements Act, H.R. Doc. 103-216, Vol. 1 (1994), at 850 ("Imports from Israel may not be cumulated with imports from other countries unless the {ITC} first determines that the domestic industry is materially injured by reason of such imports from Israel.").

<sup>28</sup> See Israel AD Initiation Checklist.

<sup>&</sup>lt;sup>29</sup> See Brazil, India, Mexico, and Korea Country-Specific AD Initiation Checklists.

For Mexico and South Africa, the petitioners based EP on the AUVs derived from official import data for imports of brass rod from Mexico/South Africa into the United States during the POI. The petitioners did not make any adjustments to U.S. price to calculate a net exfactory U.S. price.<sup>30</sup>

### Normal Value<sup>31</sup>

For Brazil, Israel, and Mexico, the petitioners based NV on home market prices obtained through market research for brass rod produced in and sold, or offered for sale, in each country during the applicable time period.<sup>32</sup> Further, for Mexico, the petitioners made certain adjustments to home market price to calculate a net ex-factory home market price, where appropriate.<sup>33</sup>

For India, Korea, and South Africa, the petitioners stated they were unable to obtain home market or third country pricing information for brass rod to use as a basis for NV.<sup>34</sup> Therefore, for India, Korea, and South Africa, the petitioners calculated NV based on constructed value (CV).<sup>35</sup> For further discussion of CV, *see* the section "Normal Value Based on Constructed Value," below.

### Normal Value Based on Constructed Value

As noted above, for India, Korea, and South Africa, the petitioners were unable to obtain home market or third country pricing information for brass rod to use as the basis for NV. Accordingly, the petitioners based NV on CV. Pursuant to section 773(e) of the Act, the petitioners calculated CV as the sum of the cost of manufacturing, selling, general, and administrative (SG&A) expenses, financial expenses, and profit.<sup>36</sup>

<sup>&</sup>lt;sup>30</sup> See Mexico and South Africa Country-Specific AD Initiation Checklists.

<sup>&</sup>lt;sup>31</sup> In accordance with section 773(b)(2) of the Act, for these investigations, Commerce will request information necessary to calculate the constructed value and COP to determine whether there are reasonable grounds to believe or suspect that sales of the foreign like product have been made at prices that represent less than the COP of the product.

<sup>&</sup>lt;sup>32</sup> See Country-Specific AD Initiation Checklists.

<sup>&</sup>lt;sup>33</sup> See Petitions at Volume II (pages 6-7 and Exhibit AD-5).

<sup>&</sup>lt;sup>34</sup> See Country-Specific AD Initiation Checklists.

<sup>&</sup>lt;sup>35</sup> *Id*.

<sup>&</sup>lt;sup>36</sup> *Id*.

In calculating the cost of manufacturing, the petitioners relied on the production experience and input consumption rates of a U.S. producer of brass rod, valued using publicly-available information applicable to each respective country.<sup>37</sup> In calculating SG&A expenses, financial expenses, and profit ratios (where applicable), the petitioners relied on the calendar year 2022 financial statements of a producer of identical merchandise domiciled in each respective subject country or a third country, where appropriate.<sup>38</sup>

### Fair Value Comparisons

Based on the data provided by the petitioners, there is reason to believe that imports of brass rod from Brazil, India, Israel, Mexico, Korea, and South Africa, are being, or are likely to be, sold in the United States at LTFV. Based on comparisons of EP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margins for brass rod for each of the countries covered by this initiation are as follows: (1) Brazil – 77.14 percent; (2) India – 16.52 percent; (3) Israel – 40.12 percent; (4) Mexico – 29.43 percent; (5) Korea – 20.82; and (6) South Africa – 20.99 percent.<sup>39</sup>

### Initiation of LTFV Investigations

Based upon the examination of the Petitions and supplemental responses, we find that they meet the requirements of section 732 of the Act. Therefore, we are initiating AD investigations to determine whether imports of brass rod from Brazil, India, Israel, Mexico, Korea, and South Africa are being, or are likely to be, sold in the United States at LTFV. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of these initiations.

### Respondent Selection

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<sup>&</sup>lt;sup>37</sup> *Id*.

<sup>&</sup>lt;sup>39</sup> See Country-Specific AD Initiation Checklists for details of the calculations.

In the Petitions, the petitioners identified one company each in Brazil, India, Israel, and South Africa as producers/exporters of brass rod, and two companies each in Mexico and Korea, as producers/exporters of brass rod.<sup>40</sup> Following standard practice in AD investigations involving market economy countries, in the event Commerce determines that the number of exporters or producers is large such that Commerce cannot individually examine each company based on its resources, where appropriate, Commerce intends to select mandatory respondents in these cases based on U.S. Customs and Border Protection (CBP) data for U.S. imports under the appropriate Harmonized Tariff Schedule of the United States subheadings listed in the "Scope of the Investigations," in the appendix.

On May 16, 2023, Commerce released CBP data on imports of brass rod from Brazil, India, Israel, Mexico, Korea, and South Africa under administrative protective order (APO) to all parties with access to information protected by APO and indicated that interested parties wishing to comment on CBP data and/or respondent selection must do so within three business days of the publication date of the notice of initiation of these investigations.<sup>41</sup> Comments must be filed electronically using ACCESS. An electronically-filed document must be received successfully in its entirety via ACCESS by 5:00 p.m. ET on the specified deadline. Commerce will not accept rebuttal comments regarding the CBP data or respondent selection.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on Commerce's website at <a href="https://access.trade.gov/Resources/Administrative\_Protective\_Order.aspx">https://access.trade.gov/Resources/Administrative\_Protective\_Order.aspx</a>.

## <u>Distribution of Copies of the Petitions</u>

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<sup>&</sup>lt;sup>40</sup> See Petitions at Volume I (pages 12-14 and Exhibit GEN-3).

<sup>&</sup>lt;sup>41</sup> See Memoranda, "Antidumping Duty Petition on Imports of Brass Rod from Brazil: Release of U.S. Customs and Border Protection Data," dated May 16, 2023; "Antidumping Duty Petition on Imports of Brass Rod from India: Release of U.S. Customs and Border Protection Data," dated May 16, 2023; "Antidumping Duty Petition on Imports of Brass Rod from Israel: Release of U.S. Customs and Border Protection Data," dated May 16, 2023; "Antidumping Duty Petition on Imports of Brass Rod from Mexico: Release of U.S. Customs and Border Protection Data," dated May 16, 2023; "Antidumping Duty Petition on Imports of Brass Rod from the Republic of Korea: Release of U.S. Customs and Border Protection Data," dated May 16, 2023; and "Antidumping Duty Petition on Imports of Brass Rod from South Africa: Release of U.S. Customs and Border Protection Data," dated May 16, 2023.

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the Petitions have been provided to the governments of Brazil, India, Israel, Mexico, Korea, and South Africa via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the AD Petitions to each exporter named in the Petitions, as provided under 19 CFR 351.203(c)(2).

### ITC Notification

Commerce will notify the ITC of its initiation, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the Petitions were filed, whether there is a reasonable indication that imports of brass rod from Brazil, India, Israel, Mexico, Korea, and/or South Africa, are materially injuring, or threatening material injury to, a U.S. industry.<sup>42</sup> A negative ITC determination for any country will result in the investigation being terminated with respect to that country.<sup>43</sup> Otherwise, these AD investigations will proceed according to statutory and regulatory time limits.

### Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)-(iv). Section 351.301(b) of Commerce's regulations requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>44</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the

<sup>44</sup> See 19 CFR 351.301(b).

<sup>&</sup>lt;sup>42</sup> See section 733(a) of the Act.

<sup>43</sup> Id

factual information seeks to rebut, clarify, or correct.<sup>45</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in these investigations.

### Particular Market Situation Allegation

Section 773(e) of the Act addresses the concept of particular market situation (PMS) for purposes of CV, stating that "if a particular market situation exists such that the cost of materials and fabrication or other processing of any kind does not accurately reflect the cost of production in the ordinary course of trade, the administering authority may use another calculation methodology under this subtitle or any other calculation methodology." When an interested party submits a PMS allegation pursuant to section 773(e) of the Act, Commerce will respond to such a submission consistent with 19 CFR 351.301(c)(2)(v). If Commerce finds that a PMS exists under section 773(e) of the Act, then it will modify its dumping calculations appropriately.

Neither section 773(e) of the Act, nor 19 CFR 351.301(c)(2)(v), sets a deadline for the submission of PMS allegations and supporting factual information. However, in order to administer section 773(e) of the Act, Commerce must receive PMS allegations and supporting factual information with enough time to consider the submission. Thus, should an interested party wish to submit a PMS allegation and supporting new factual information pursuant to section 773(e) of the Act, it must do so no later than 20 days after submission of a respondent's initial response to section D of Commerce's AD questionnaire.

### **Extensions of Time Limits**

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by Commerce. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301. For submissions that are due from multiple parties

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<sup>&</sup>lt;sup>45</sup> See 19 CFR 351.301(b)(2).

simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, Commerce may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, Commerce will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, standalone submission; under limited circumstances, Commerce will grant untimely filed requests for the extension of time limits, where we determine, based on 19 CFR 351.302, that extraordinary circumstances exist. Parties should review Commerce's regulations concerning the extension of time limits and the *Time Limits Final Rule* prior to submitting factual information in these investigations.<sup>46</sup>

### <u>Certification Requirements</u>

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>47</sup> Parties must use the certification formats provided in 19 CFR 351.303(g).<sup>48</sup> Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

### Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Parties wishing to participate in these investigations should ensure that they meet the requirements of 19 CFR 351.103(d) (*e.g.*, by filing the required letter of appearance). Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>49</sup>

<sup>&</sup>lt;sup>46</sup> See 19 CFR 351.302; see also, e.g., Extension of Time Limits; Final Rule, 78 FR 57790 (September 20, 2013) (*Time Limits Final Rule*), available at <a href="https://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm">https://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm</a>.

<sup>47</sup> See section 782(b) of the Act.

<sup>&</sup>lt;sup>48</sup> See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013) (Final Rule). Answers to frequently asked questions regarding the Final Rule are available at <a href="https://enforcement.trade.gov/tlei/notices/factual\_info\_final\_rule\_FAQ\_07172013.pdf">https://enforcement.trade.gov/tlei/notices/factual\_info\_final\_rule\_FAQ\_07172013.pdf</a>.

<sup>49</sup> See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act, and 19 CFR 351.203(c).

**Dated:** May 17, 2023.

# Lisa W. Wang,

Assistant Secretary for Enforcement and Compliance.

### **Appendix**

### **Scope of the Investigations**

The products covered by these investigations are brass rod and bar (brass rod), which is defined as leaded, low-lead, and no-lead solid brass made from alloys such as, but not limited to the following alloys classified under the Unified Numbering System (UNS) as C27450, C27451, C27460, C34500, C35000, C35300, C35330, C36000, C36300, C37000, C37700, C48500, C67300, C67600, and C69300, and their international equivalents.

The brass rod subject to these investigations has an actual cross-section or outside diameter greater than 0.25 inches but less than or equal to 12 inches. Brass rod cross-sections may be round, hexagonal, square, or octagonal shapes as well as special profiles (*e.g.*, angles, shapes).

Standard leaded brass rod covered by the scope contains, by weight, 57.0 - 65.0 percent copper; 0.5 - 3.0 percent lead; no more than 1.3 percent iron; and at least 15 percent zinc. No-lead or low-lead brass rod covered by the scope contains by weight 59.0 - 76.0 percent copper; 0 - 1.5 percent lead; no more than 0.35 percent iron; and at least 15 percent zinc. Brass rod may also include other chemical elements (*e.g.*, nickel, phosphorous, silicon, tin, *etc.*).

Brass rod may be in straight lengths or coils. Brass rod covered by these investigations may be finished or unfinished, and may or may not be heated, extruded, pickled, or cold-drawn. Brass rod may be produced in accordance with ASTM B16, ASTM B124, ASTM B981, ASTM B371, ASTM B453, ASTM B21, ASTM B138, and ASTM B927, but such conformity to an ASTM standard is not required for the merchandise to be included within the scope.

Excluded from the scope of these investigations is brass ingot, which is a casting of unwrought metal unsuitable for conversion into brass rod without remelting, that contains, by weight, at least 57.0 percent copper and 15.0 percent zinc.

The merchandise covered by these investigations is currently classifiable under subheadings 7407.21.9000, 7407.21.7000, and 7407.21.1500 of the Harmonized Tariff Schedule of the United States (HTSUS). Products subject to the scope may also enter under HTSUS subheadings 7403.21.0000, 7407.21.3000, and 7407.21.5000. The HTSUS subheadings and UNS alloy designations are provided for convenience and customs purposes. The written description of the scope of the investigations is dispositive.

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